



The TSAC Update

Serving the Financial Aid Community Since 1974!

Tennessee Student Assistance Corporation

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TENNESSEE EDUCATION LOTTERY SCHOLARSHIP (TELS) DIVISION

Thank you, in advance, for your continued support during this historic time. Our collaboration will prove beneficial to many families who could only dream about college. Tentative lottery award letters are being mailed to eligible students. Many of you have already heard from these students and are responding to their inquiries regarding the award amounts and what to do next. Subsequent award mailings will continue on a weekly basis.

A flat file layout listing the required field names and field contents for reporting 2003 HS graduates at your school were delivered to the colleges through e-mail last week. The document also contained instructions for the flat file and an illustration of how the verification screens will look once it's in production in e*GRandS. If you did not receive the flat file please e-mail Robert Biggers.

June 1, 2004 is the designated date to have lottery scholarship information on the 2003 TN high school graduates at your schools. The flat file layout will give you a head-start while e*GRandS is being tested and placed in production. TSAC will notify you when e*GRandS is ready for the upload.

TSAC's district marketing representatives are scheduling hands-on-training for e*CLIPS including the policies and procedures for the TELS programs. Distribution of the training schedule will occur as soon as the schedule is finalized. Please feel free to contact Sherease Parker at Guarantec or Robert Biggers for general and technical questions regarding the flat file. Sherease Parker can be reached at sparker@guarantec.com or call 1-866-934-7263. You may reach Robert at robert.biggers@state.tn.us or call (615) 253-7453.

GUARANTEC

Tennessee Education Lottery Scholarship (TELS)

TSAC/Guarantec implemented the TELS Program into the e*GRandS system on February 7, 2004. This history-making event marked a milestone in realizing the educational dreams of all Tennesseans.

The addition of the Lottery scholarships to the e*GRandS system introduces new functionality and new users. High school counselors will access e*GRandS to verify transcripts for the class of 2004 applicants.

TSAC welcomes the great opportunity of meeting, greeting, and training high school counselors and college financial aid officers alike. The e*GRandS system

has an abundance of old and new functions, and TSAC's training goals will assure every user understands the new processes. Training for high school counselors and financial aid officers will begin in March. Look forward to receiving invitations to these training sessions. Please contact TSAC to RSVP immediately. Questions concerning the training sessions should be directed to TSAC at 800-342-1663.

By the way, the updated Help File, which is accessed from the main menu, has been updated with the most current functionality. It is advisable for school users to print this current version of the Help File. For technical assistance please call the e*GRandS Hotline at 866-934-7263.

eSignature!

TSAC/GuaranTec's eSignature process is taking off. There have been 950 electronically signed MPN's so far and counting. Institutions currently participating are:

Lenders

BancorpSouth

Citibank

EdAmerica

SunTrust

Schools

Austin Peay State University

Lipscomb University

O'More College of Design

Roane State Community College

Union University

University of Mississippi

Enhancements scheduled for late March include real-time reporting and the availability of keying loans directly into e*CLIPS for the borrower initiated eSignature process (previously available for imported loans only). eSignature functionality for PLUS MPN's is also coming soon.

For more information regarding eSignature, please contact the eSignature Hotline at 877-993-7445.

Credit Approval for PLUS Loans

Starting in April for school submitted new PLUS loans, TSAC/GuaranTec will no longer place PLUS loans in 'Hold' status pending a lender's credit approval. TSAC/GuaranTec will assume that the credit check has already been performed when a school submits a PLUS application. This new procedure will speed up the guarantee process. Lenders will still have to indicate receipt of the Promissory Note. SSCH Serial PLUS MPN's will continue to require credit check approval from the lender.

Fast and Easy – Ordering Forms On-line from the TSAC Website

Schools and lenders will soon be able to order any needed forms, view their form order, and track their orders by accessing the TSAC Website. A new, improved on-line service will become available the first of April. By using on-line ordering, orders can be processed faster. More details regarding this change will be given out at the TSAC Lender Conference and at TASFAA. If you have any questions or concerns, contact Michelle Rodriguez at 904-281-7027 or forms@guarantec.com.

GRANT DIVISION

Tennessee Student Assistance Award 2004-2005

TSAC has notified over 65,000 applicants of their TSAA eligibility. 22,585 students have been awarded TSAA as of March 11, 2004. TSAC had processed 64,917 2004-2005 applications on March 5, 2004, compared to 26,741 for the 2003-2004 academic year. With this increase in applications (242%), TSAA funding may soon be exhausted.

Please remember that the awards are **based on prior year tuition and fees** and that the 2004-2005 Award Rules screen on e*GRandS will always indicate the information needed for the level of funding.

The level of tuition, EFC and dates for 2004-2005 are:

EFC - 2100

TSAA – Maximum Award \$2,322

TSAA Restoration Renewal Applicants - Maximum Award \$5,538

TSAA Restoration New Applicants – Maximum Award \$4,644

TSAA Restoration Deadline – March 1, 2004

TSAA Deadline has not been determined yet.

2004-2005 Problems

There were two system problems that occurred that, unfortunately, were not identified until the first batch of letters were mailed to the students. Both problems have been corrected.

PROBLEM 1: The system mailed award letters to students based on the first school listed on the FAFSA without searching the list for the first eligible TSAA school. New letters were generated after the problem was corrected.

PROBLEM 2: The Federal Processor had created a second file in TSAC's mail box that contained some of the revisions students had made. We were not originally aware of this electronic file. The revised information is now downloaded into our system and records are being updated accordingly.

We apologize for any inconvenience the system errors may have caused students and institutions.

LOAN DIVISION

TSAC's annual Lender Conference is scheduled for April 5-6, 2004, at the Embassy Suites Hotel, Franklin, Tennessee. Conference fees are \$50.00 per person. If you did not receive a registration form, please contact Stephanie Aylor, Student Loan Program Administrator, at 800-342-1663, extension 139.

The deadline for cancellation and refund is April 2, 2004

QUESTION OF THE MONTH

Question: A single, independent student's ISIR has been selected by CPS for verification. The income earned from work is \$20,000, but the student indicates that a tax return was not filed. Upon questioning, the student indicates that the majority of the income was self-employed earnings and a small amount was earned from an outside source. The W2 form for the outside earnings is the only wage documentation submitted by the student for the verification process. Is the verification worksheet, signed by the student indicating that a tax return was not filed sufficient documentation? Should the institution require the student to request a letter from the IRS stating the student did not file?

Answer: According to the 2003-2004 Federal Student Aid Handbook (FSAH), verification guide, page AVG-44, this constitutes conflicting data. Please review the following excerpt from the FSAH:

Financial aid professionals are not expected to have special knowledge or expertise regarding the U.S. tax code. If someone whose data was required on the FAFSA submits a signed statement claiming non-filer status and you have reason to believe that person would have been required to file a U.S. tax return, this constitutes conflicting information and must be resolved. (For more information on conflicting information, see chapter 4.) For example, in such a case you might require a letter from the IRS, a copy of the applicable tax provision or other documentation supporting the claim to nonfiler status. **Conflicting information must be resolved before you can disburse federal aid.**

For information on who should file a tax return refer to this [IRS](#) site for filing requirements.

CHANGES IN THE TSAC UPDATE

The TSAC Update is changing. TSAC Division information, unless it is time sensitive, will appear in every other issue. The Federal Update and the Question of the Month will appear in every issue.

TSAC TRAINING

TSAC quarterly training is scheduled for March 26, 2004. This training session will be about **verification and TSAA e*Grands**. Please bring your calculators for use in the Case Studies. The training will be given at TSAC's Nashville office at 404 James Robertson Parkway. Refreshments will be served from 8:30 a.m. to 9:00 a.m. The verification session will start at 9:00 a.m., and the TSAA e*Grands session will start at 1:00 p.m. Lunch will be provided. Seating is limited. Please R.S.V.P. to Dianna Greer no later than March 22, 2004. Dianna can be reached at 800-342-1663 ext, 149, direct line 615-253-7474, or by email at dianna.greer@state.tn.us.

FEDERAL UPDATE

2004-2005 PELL PAYMENT CHARTS

The 2004-2005 Pell payment charts are now available at [Pell Payment Charts](#).

RETURN OF TITLE IV AID

The U.S. Department of Education has provided additional guidance on the application of the Return of Title IV requirements. This guidance may be viewed at [IFAP](#).

NUMBERING OF DEAR COLLEAGUE/DEAR PARTNER LETTERS FOR FINANCIAL PARTNERS

The Department of Education announces a simplification of the numbering system for Dear Colleague/Dear Partner Letters that are directed to program participants from the FFEL lending and guaranty agency community. For details please review [numbering](#).

SOURCES OF ASSISTANCE FOR SCHOOLS

The Department of Education posted a single source of communication reference. It contains a comprehensive listing of FSA references (for example,

phone numbers, e-mail addresses, Web site addresses, etc.). Please refer to [address](#) for the Web page and download instructions.

NSLDS E-MAIL ADDRESSES CHANGING MARCH 8, 2004

Beginning March 8, 2004, the e-mail address for NSLDS Customer Service is changing to NSLDS@pearson.com. This change is being done to ensure all inquiries are routed to the correct support team.

NSLDS@pearson.com replaces both the NSLDScoe@raytheon.com and NSLDSccc@raytheon.com addresses.

If you have questions on any article or suggestions for future articles, please contact Dianna Greer, 800-342-1663, ext 149; email dianna.greer@state.tn.us .